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Legislation will help mitigate problem with new Medicaid law



Charles Wilson on CSPAN

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House of Representatives
(Politics, Public Affair)

Washington, D.C. - Today Congressman Charlie Wilson (D-OH), with bipartisan support, successfully passed legislation that will counteract a provision that could have done serious harm to both Medicaid patients and local pharmacies. The original provision was added to the War Supplemental bill (the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act) and signed into law by the President in the spring.

That law mandated that all Medicaid prescriptions must be written on "tamper resistant" paper in order to be eligible for federal reimbursement beginning October 1, 2007.

The law was designed to prevent fraud and save money. Wilson is committed to identifying and reducing any fraud that may exist in the Medicaid program, but as a result of the short timeframe for implementation he was very concerned the provision would have had unintended consequences.

Congressman Wilson introduced and successfully passed legislation today that delays implementation of the new Medicaid law by 6 months.

Similar legislation introduced in the Senate by Ohio Senators Sherrod Brown (D-OH) and George Voinovich (R-OH) passed last night in the Senate. The House-passed bill is on its way to the Senate. The Senate is expected to pass it by unanimous consent and then send it on to President for signature.

WHY A DELAY IS NEEDED:

Currently, most physicians do not use this type of tamper proof pad, nor are supplies readily available.

Last year, doctors wrote approximately 330 million prescriptions for Medicaid beneficiaries; that's 11 percent of the nearly 3.1 billion total prescriptions written every year. To implement this requirement by next week would call for thousands of new prescriptions to be written on these "tamper proof" pads. This leaves small family-owned pharmacies particularly vulnerable; they either turn patients away who don't have prescriptions written on the proper paper or they risk not being reimbursed by the government.

"We all know small businesses can't afford that kind of loss," Rep. Wilson said.

Additionally, state Medicaid agencies have reported that the looming deadline is not possible to meet, as a result of the tight timeline of the legislation. The guidance that states needed to implement the requirement were not issued by Centers for Medicaid and Medicare Services (CMS) until August 17, which gave states Medicaid agencies roughly six weeks to notify providers, pharmacists, and recipients.

" Pharmacies may end up forced to close up shop if they're not getting reimbursed by Medicaid because their clients' prescriptions aren't on tamperproof pads, " Wilson said. " The loss of a rural pharmacy that supplies an underserved area could hurt many of my constituents, " Rep. Wilson said.

" A six month delay is just good common sense, " Wilson said. " I want to do the right thing and allow doctors, pharmacists and patients the time needed to study the new law and properly prepare for it. "

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